



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution to Approve the Forgiving of the Remaining Loan Balance of \$359,950 from the Lodi Veteran's Monument Foundation, a Non-profit Corporation of California

MEETING DATE: February 6, 2008

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Adopt Resolution to approve the forgiving of the remaining loan balance of \$359,950 from the Lodi Veteran's Monument Foundation, a Non-profit Corporation of California.

BACKGROUND INFORMATION: The Veteran's Memorial Plaza was dedicated in 2001. Funding for the plaza was advanced (\$450,000 to be repaid in annual payments by July 1 of each year) by the City of Lodi with an agreement from the Lodi Veteran's Monument Foundation, a non-profit corporation of California, to repay the balance as donations were made by the members of this group to their foundation. The amount still remaining on this advance/ loan is \$359,950. There were very few members remaining of the foundation when it dissolved last year. Therefore, the original organization to which donations were being made and from which repayment to the City of Lodi can be made no longer exists. However, there is an endowment that has been established to pay for the maintenance of the memorial and its replacement. Donations to the Lodi Improvement Foundation-endowment for the Veteran's Memorial Monument are now being accepted and there have been some donations made that have been forwarded to this new foundation. As this endowment grows and earnings accrue, withdrawals will be allowed to pay for maintenance of the memorial monument. Staff is recommending that the balance of the loan be written off at this time in order to clear the records related to the dissolution of the Lodi Veteran's Monument Foundation.

FISCAL IMPACT: The maintenance of the Veteran's Memorial will be paid out of the earnings from the endowment for the Veteran's Memorial through the Lodi Improvement Foundation.

FUNDING AVAILABLE: Not applicable

James R. Krueger, Deputy City Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL
FORGIVING THE LODI VETERAN'S MONUMENT
FOUNDATION LOAN BALANCE AND WRITING OFF
THE DEBT

WHEREAS, the Veteran's Memorial Plaza was dedicated in 2001; and

WHEREAS, the City of Lodi advanced the funding for the Plaza in the amount of \$450,000 to the Lodi Veteran's Monument Foundation, a non-profit corporation of California; and

WHEREAS, annual payments were scheduled to be received by July 1 of each year; and

WHEREAS, the current balance owing on the loan is \$359,950; and

WHEREAS, because very few members of the original foundation remain, the Foundation was dissolved in 2007, and the original organization to which donations were being made and from which repayment to the City of Lodi can be made no longer exists; and

WHEREAS, an endowment was established to pay for the maintenance of the memorial over the course of its useful life, and donations to the Lodi Improvement Foundation-endowment for the Veteran's Memorial Monument are now being accepted ; and

WHEREAS, staff recommends that the balance of the loan be written off in order to clear the records related to the dissolution of the Lodi Veteran's Monument Foundation.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council hereby forgives the Lodi Veteran's Monument Foundation loan balance and hereby writes off the debt in the amount of \$359,950.

Date: February 6, 2008

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the Lodi City Council in a regular meeting held February 6, 2008, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2008-_____